

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7233

BILL NUMBER: SB 517

DATE PREPARED: Jan 10, 2002

BILL AMENDED:

SUBJECT: Business Entity Mergers and Redomestications.

FISCAL ANALYST: John Parkey

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FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides for cross species business mergers. The bill provides for the redomestication of business entities. The bill includes in the definition of "principal" for the purpose of a power of attorney a corporation, a limited liability company, a trust, or a partnership. The bill makes conforming amendments.

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues: While this bill could have an interminable impact on the Secretary of State's collection of certain filing fees, it is not expected to have a significant impact on the state tax liability of firms undergoing a redomestication or merger.

Corporate and trademark filing fees collected by the Secretary of State's office are deposited in the state General Fund. In FY 2001, the Office collected approximately in \$5.7 M from these types of fees.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Secretary of State.

Local Agencies Affected:

Information Sources: Joe Loftus, Barnes & Thornburg; Secretary of State's office.